(d) what is the criteria for providing Petrol Pumps in the country?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) to (c) At present there are 21 retail outlet dealerships functioning in Kangra district of Himachal Pradesh, of which there are 2 retail outlets in Tehsil Palampur and one retail outlet in Tehsil Jaisinghpur.

(d) Oil companies conduct survey for identifying economically viable locations as per Volume Distance Norms from time to time. Locations found feasible are included in the Marketing plan for setting up retail outlet dealerships. Locations included in the marketing plans are advertised by the oil marketing companies and selection is made through Dealer Selection Boards.

Suggestion on the Functioning of Oil Selection Board

4980. SHRI K.M. KHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that his Ministry had issued a letter No. P-19011/3/94-IOC dated 9th June, 1994 giving advise to Oil Selection Boards relating to their procedure;

(b) if so, whether Government would place the said letter on the table of the House;

(c) if not, the reasons therefor;

(d) the details of the selections made by the different Oil Selection Boards from 9th June, 1994 to 20th March, 1996 which are adversely affected by this Ministry's letter; and

(e) the detailed list of all the aforesaid adversely affected selections?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) to (e) a copy of the guidelines issued under this Ministry's letter No. P-19011/3/94- IOC dated 9th June, 1994, is given in the enclosed statement. (*See* below)

After the issue of the guidelines on 9.6.94, Oil Companies and the Oil Selection Boards were required to follow these guidelines.

Statement

No. P-19011/3/94-IOC
Government of India
Ministry of Petroleum and Natural Gas

New Delhi, the 9th June, 1994.

To

The Chairman,
Indian Oil Corporation Limited,
New Delhi.

The Chairman & Managing Director,
Hindustan Petroleum Corporation Limited,
Bombay.

The Chairman & Managing Director,
Bharat Petroleum Corporation Limited,
Bombay.

The Chairman & Managing Director,
IBP Co. Limited,
Calcutta.

Subject: Selection of dealers/distributors — procedural matters.

Sir,

It has been observed that on receipt of the merit panel from the Oil Selection Boards, the oil companies issue LOI to the candidate placed at No. 1 in the panel and simultaneously inform the second empanelled candidate stating that his name is retained on the panel for being considered till the commissioning of the subject dealership/distributorship by the first candidate on the panel. Such a practice sometimes causes unwanted and avoidable problems to the LOI holder and sometimes legal problems in the commissioning of the dealership/ distributorship. It has also been observed that Oil Selection Boards do not follow a uniform procedure in advising the merit panel to the oil companies. Whereas most of the OSBs advise the complete panel, some of them advise only the name of the candidate placed at No. 1 in the merit panel.

In order to have a uniform procedure as also to avoid any unwanted problems and complications, it has been decided as under:—

(i) OSBs will finalise the panel within 24 hours after the conclusion of interviews for a particular dealership/ distributorship and it will advise the complete merit panel of two candidates to the SLC/Secretary, OSB at once. SLC/Secretary, OSB will send the panel to the concerned oil company within two days of the receipt of the same from SLC by speed post/courier.

(ii) The concerned oil company will issue LOI to the candidate placed at No. 1 in the merit panel within 15 days after completion of all formalities, without any intimation to the second candidate in the merit panel.

(iii) The name of the selected candidate should be displayed on the Notice Board of the OSB after 15 days of the dispatch of panel to the Oil Company. The regret may be suitably communicated to the other applicants in the proforma to be decided by the oil industry.

(iv) OSBs must also make arrangement to answer personal or mail queries of the applicants about the results.

You are requested to ensure necessary action in the matter accordingly. A copy of this communication may be forwarded to the Oil Selection Boards for their information, guidance and necessary action.

Yours faithfully,

Sd/-

(S. K. SINGH)

Under Secretary to the Govt. of India

Tel: 386407

CC: SLCs.

CC: Guard File.